

**GEORGETOWN COMMUNITY SERVICES ASSOCIATION, INC.
BOARD OF DIRECTORS**

**MINUTES OF GENERAL MEETING
October 11, 2011**

1. **CALL TO ORDER.** Mr. Lindsey called the General Meeting to order at 8:05 at the end of the annual CSA Budget Hearing. Mr. Warren Smith called roll with the following results:

Richard Lindsey	President	Present
Kenneth Corder	VP	Present
Warren Smith	Sec/Treasurer	Present
Robert Smith	Member	Present
Robin Byers	Member	Present
Butch Braddy	Member	Absent, proxy to W. Smith
Renee Rabbitt	Member	Present
Barbara Rubin	Member	Present
John Thompson	Member	Present

2. **APPROVAL OF AGENDA.** Mr. Corder motioned to approve the proposed agenda. Mrs. Rabbitt seconded the motion and the Board voted unanimously, including the proxy, to approve the motion.

3. **APPROVAL OF MINUTES.** Mr. Warren Smith motioned to approve as written the minutes of the General Meeting and parcel budget hearings of September 13, 2011. Mr. Corder seconded the motion. There was no additional discussion and the Board voted unanimously, including the proxy, to approve the motion.

4. **COMMITTEE REPORTS.**

a. **GENERAL MANAGER.** Mr. Odom noted that the members had been provided copies of the Collection Office Report, Accounting Summary, September 2011 Profit and Loss Report, and Balance Sheet. He, then, provided the following regarding financials, project, and other events.

Balances. As of close of business on September 30, 2011, CSA checking (operational account) totaled \$ 81,377.20. The total of CSA reserves (Vanguard Account plus First Chatham Accounts) is \$249,779.52 (which includes \$125,000 of excess checking deposited in previous months). We have made a deposit of \$10,000 into reserves for September in accordance with the approved budget. The grand total of CSA funds (CSA reserves plus operational checking) is \$331,156.72. The total of all GCSA accounts (including CDs) is \$563,096.65. Aggregate deposits on hand at each financial institution/program include:

Coastal CSA Checking	\$ 81,377.20	(does not count against FDIC coverage limit)
Coastal Parcel Checking	\$ 14,860.81	(does not count against FDIC coverage limit)
Coastal MM	\$ 84,522.04	
Coastal CD's	<u>\$115,947.13</u>	
	\$296,707.18	

1st Chatham Checking	\$ 100.00 (does not count against FDIC coverage limit)
1 st Chatham CSA MM	\$ 234,739.45
Vanguard	<u>\$ 15,040.07</u>
Total:	\$546,586.67

Income and Expenses. Total income for September was \$82,847.32 which was \$2,224.12 better than budget. Total expenses were \$68,097.79 which were \$4,687.79 lower than budget—thanks primarily to lower-than-expected water and legal bills. Net income was \$14,749.53 which was \$6,911.91 better than budget.

Capital Budget Execution:

September

- Replace portable water tank/pump	\$1,665	\$1,334.00 (\$331 under budget)
- Repair/replace security cameras (phase II)	\$2,880	\$1,040.22 (\$1,839.78 under budget)
- SS brick tuck pointing	<u>\$ 975</u>	<u>\$ 500.00</u> (\$475 under budget)
	\$5,520	\$2,874.22 (\$2,645.78 under budget)

Capital Budget Execution Summary

	Annual Budget	Current Execution
Reserves B/F 1/1/11:	\$116,846	\$124,209 (actual)
(+) Res Deposits 2011:	\$120,000	\$ 90,000 YTD \$ 30,000 programmed Oct-Dec
(-) Outlays/reinvest:	\$144,790	\$ 84,981 YTD
Ending Balance 12/31:	\$ 92,056	\$125,541--\$137,408

Remaining 2011 Capital Items

	Budget	Actual (to date)*
SS Roofing	\$28,404	\$16,537.00*
Heron's Crest Sign (vandalized)	0	\$1,578.25
SS HVAC Ductwork	\$1,825	TBD
Surveillance Systems (Phase III)	\$1,880	TBD

Deferred Items

SS/NS Pool Equip ½	\$7,462
Dredge Red Fox A lagoon	\$ 7,569
Dredge Red Fox B lagoon	\$ 7,569
Replace RF-B retaining wall	\$ 12,880
Gate Guard Bldg A/C	<u>\$ 450</u>
	\$ 35,930

Also deferred: \$12,900 for lagoon surveying and engineering—tied to RF B dredging.

Past Due Accounts. The number of past due accounts went up in September from 253 to 286, and the dollar amount increased from \$287,646.68 to \$290,402.45. The number of accounts 31-60 days old declined from 45 to 39, and the dollar amount went down from \$30,030.11 to \$17,813.56. The amounts 61-90 days past due rose from 30 to 45 and the dollar value increased from \$9,567.48 to \$21,669.92. Accounts over 90 days in arrears went up from 178 to 202, and from \$248,049.09 to \$250,918.97, respectively. In September, we issued 83 first and second letters (combined), 14 new or updated liens, and 6 law suits. We received 41 payments (of \$200 or more) for past due amounts totaling \$17,282.20. 25 of our accounts are in bankruptcy, with \$19,515.28 owed pre-bankruptcy, and \$21,303.90 in post-bankruptcy owed. The total amount in bankruptcy is \$40,819.18. The attached report summarizes the status of accounts that the Board approved special payments.

Repairs and Scheduled Projects:

a. **Heron's Crest Sign:** As discussed in my recent e-mail, someone stole the metal lettering and logo off the Heron's Crest entrance sign. I requested and received unanimous Board approval via e-mail and phone, to replace the lettering with a plaque-type sign that matches the other entrance signs we have been installing in the past 5 years. The replacement sign has been ordered and should be installed by the last week in this month. The cost with tax is \$1,578.25.

b. **Surveillance Camera purchase:** Per the Strategic Plan and Capital Budget, we have purchased a second increment of cameras for a price of \$1040.22 (under budget). The third increment, scheduled for November will concentrate on installing a rugged, tamper-resistant surveillance system for the basketball court area.

c. **Southside Brick Work:** Per the Strategic Plan and Capital Budget, we have spent \$500 (under budget) for mortar repairs (tuck/point) on the Southside Clubhouse, Pool Building, and Maintenance Building.

d. **Mobile Water Tank/Pump:** Per the Strategic Plan and Capital Budget, we have spent \$1,334.00 (under budget) replacing this equipment.

e. **Southside Re-roofing:** Project is scheduled to begin the week of October 17th.

f. **Summerfield Entrance work** (sign replacement, fence repair, and new landscaping) has been completed.

Detention Area in Summerfield. The resident at 2 Misty Morning Way recently complained that the Association was not maintaining the detention area behind her home. We responded that we would confirm ownership of that area and see what could be done. Research completed since then seems to indicate that the Association never accepted title/deed to this property from the developer. The Board at that time did not feel that the property had been brought up to their standards. Tax records reflect that the developer still owns the property. Over the years, residents have fenced in the 3 drainage easements linking Summerfield's streets to the detention area. Mr. Yardman has put on of those residents on notice that, at some point, he would have to remove the fence.

Tree Work at King James Court. At the Budget Hearing last month for the Georgetown Townhomes, a resident complained that trees were rubbing his house and needed immediate action. The Board asked the GM to fix the problem. On September 21st, Hunt's Tree Service completed the pruning of several trees at a price of \$450. The resident was pleased with the work.

Townhome Paving Loan was paid off in full (\$14,112.29 balance) on September 14, 2011 per BOD direction at the September meeting.

Neighborhood Watch Introductory Meeting. A resident of Eagle's Landing, whose home was recently burglarized, has approached the Association with a request to improve security and information flow regarding current crime trends. Currently, the GM, President, and other Board members attend the bi-monthly meeting with the Police, and information is shared in our newsletters. It has been several years since we have hosted a neighborhood watch informational meeting, so with Board approval, I plan to schedule one for 7:00 p.m. on November 8th...immediately before the next Board meeting. Our County Councilmen and officials from the Police will be invited to attend.

Georgia Power Easement Request. The General Manager met with Mr. Steven Wohfeil and Mr. Richard Bailey of Hussey, Gay, Bell and DeYoung, who are contracted by Georgia Power to help develop and execute a landscaping plan relating to Georgia Power's easement purchase request. The proposed plan was modified to allow for more space between the Northside Pool and the landscaping additions. The GM also provided some solicitation and contract language to be used in the process. The plan is to receive bids by October 26th and to bring the proposals to the Board for final approval on November 8th. By November 11th, the Association will need to sign 3 agreements: (1) the easement purchase; (2) the escrow payment agreement; and (3) the landscaping contract. Georgia Power will be funding the escrow account which will be used to pay for the landscaping work. The installation of the plants will occur within 60 days of contract award, and the contract will include 12 months of plant maintenance and plant warranty.

Mailbox/posts for Lion's Gate and Eagle's Landing. These two subdivisions have standardized decorative mailbox posts. When residents in these neighborhoods have needed to replace these mailboxes, we have been referring them to the original installer, Mr. Buddy Floyd. We have also provided a secondary source, Mr. Buddy Hobbs (Custom Steel). Apparently, these sources are no longer viable. Therefore, we are searching for a new source. Meanwhile, we will need to consider variance requests from owners who need to install a different style pole on a temporary/interim basis.

New Accounts Receivable Manager. Ms. Paige Schuman has been hired to replace Mrs. Dona Albright who recently retired due to medical reasons. Ms. Schuman has over 21 years of bookkeeping experience. We welcome her to our team.

b. **SECRETARY/TREASURER.** Mr. Warren Smith stated that he had nothing to add.

c. **ARB.** Mr. Yardman reported on the results of the ARB meetings held on September 20th and October 4th. Afterward, he provided the following September data:

Total new violations: 298	YTD 2696
Total violations repaired this period: 343	YTD 2725
Hang Tags issued: 77	YTD 663
Letters mailed: 334	YTD 2477
Issues forward to GM or attorney: 81	YTD 697
Total current violations: 243	

d. **PARCEL REPRESENTATIVE.** No report.

5. **UNFINISHED BUSINESS.** None.

6. **NEW BUSINESS:**

a. **Landscaping Contractor Selection.** The General Manager reported the results of the September 16th solicitation for landscaping services which closed on October 5th. Four companies submitted bids and, according to Mr. Odom, all met the standards for insurance, operational capacity, commercial experience, and documented excellent customer service. He recommended accepting the proposal from the low-bidder, Rivers Landscaping. Mr. Corder motioned to approve the contract award to Rivers Landscaping. Ms. Rubin seconded the motion. Mr. Warren Smith recommended that, given the level of the bid, we carefully execute the contract and follow up to ensure we get what we are paying for. At the end of discussion, the Board voted unanimously to approve the motion.

7. **OPEN DISCUSSION.**

a. Ms. Rita Marley of Magnolia Woods requested a waiver from the security guard requirement in regards to a proposed Clubhouse rental for a baby shower on November 6th. She said that this was a charity event being held by her church for a GCSA resident who needed help. She added that the \$160 in normally required security guard fees would be unaffordable for this event. Mr. Lindsey asked what time of day would the event be held. Ms. Marley responded, 3-6 p.m. Ms. Rubin asked how many people would be attending. Ms. Marley answered, 100. Mr. Lindsey asked who will be responsible. Ms. Marley replied that she would. Mr. Thompson asked why the event was not being held at the church. Ms. Marley responded that the church was too small. Ms. Rubin asked who would open and close the Building. Mr. Odom answered that our Building Monitor would. Mr. Warren Smith motioned to approve the waiver request for his event only. Mrs. Rabbitt seconded the motion. There was no further discussion. The Board voted 7-1 to approve the motion, with Mr. Thompson voting in opposition. Mr. Thompson stated that he could not see doing this for one member and not everyone.

8. **ADJOURNMENT.** At 8:45 p.m., Mr. Corder motioned to adjourn the meeting. Ms. Rubin seconded the motion and the Board voted unanimously, including the proxy, to approve it.

**GEORGETOWN COMMUNITY SERVICES ASSOCIATION, INC.
BOARD OF DIRECTORS**

**MINUTES OF SPECIAL MEETING
GEORGETOWN CSA BUDGET OPEN HEARING
OCTOBER 11, 2011**

1. **CALL TO ORDER.** The President called the meeting to order at 7:00 p.m.. The Secretary/Treasurer called roll with the following results:

Richard Lindsey	President	Present
Kenneth Corder	VP	Present
Warren Smith	Sec/Treasurer	Present
Robert Smith	Member	Present
Robin Byers	Member	Present
Renee Rabbitt	Member	Present
Butch Braddy	Member	Absent, proxy Mr. W. Smith
Barbara Rubin	Member	Present
John Thompson	Member	Present

Let the record reflect that there were three residents present in the audience at the start of this hearing.

2. **NEW BUSINESS.** At the request of the President, Mr. Odom provided the attached briefing which discussed: (1) the status of 2011 finances and budget execution; (2) the proposed Capital Budget for 2012; and (3) the proposed CSA Operational Budget for 2012. Mr. Odom reported that both the Capital and Operational budgets were operating in the black (better than budget) and that the value of current assets total \$331,256 as of September 30th.

Capital Budget: The briefing cited a list of remaining budgeted capital expenses for 2011 along with a list of Board-deferred items per the General Meeting back in July. Mr. Odom provided a draft Capital Budget for 2012 that included a mix of items identified by the 2010 Reserve Study, some deferred items from 2011, and some newly identified requirements. The proposal, totaling \$51,756, included: (1) Pool pumps/filters \$7462; (2) NS a/c replacement \$10,500; (3) Maintenance Building water line replacement \$11,124; (4) Tennis Court nets \$1,420; (5) Lagoon Engineering Work relating to dredging \$5,500; (6) Lagoon Surveying \$7,400 also related to dredging; (7) Replacing Gate Guard Building a/c \$850; and (8) Replacing our 2 marquis \$7,500. Mr. Odom stated that pricing came from the Study and from previous solicitations and would need to be reconfirmed prior to budget vote in November. He added that the \$51,756 total was about \$1900 less than the funding programmed within the Reserve Study. At the end of the briefing relating to the Capital Budget, Mr. Warren Smith asked if it could be amended to include consideration of the year-round pool operations scheme for the Northside Pool as discussed in previous meetings. Mr. Odom replied that he would take that for action and include something for Board consideration at the next meeting. Mr. Warren Smith went on to say that he would prefer to spend money on the Northside kitchen and carpet than on the basketball slab. He added that we need to ensure that we

maintain this building well as it's a part of our capital structure and our residents on the Northside deserve it. Mr. Maltenfort suggested that we should consider the return on investment in regards to expenditures on the Northside Clubhouse. Mrs. Byers stated that the Board needs to decide on how the Northside Clubhouse is going to be used before finalizing decisions on expenditures there. Ms. Rubin responded that the Association cannot let the building go to pot. Mrs. Rabbitt mentioned that, at one point, the Board was considering putting a fitness center at the Northside. Mr. Warren Smith answered that the floors there won't support the heavy equipment and pounding feet; however, there are other activities that can take place there, and there are people currently using the facility. Mrs. Rabbitt asked whether holding off on carpet replacement might increase the risk of mold build-up. Mr. Odom responded that there was no current indication of mold in the building. Mr. Corder asked if we had a maintenance contract on the dehumidifiers. Mr. Odom replied that we did not, but he would add that to the operational budget. Mr. Lindsey remarked that, at one point, there was some discussion regarding whether to save or eliminate the NS Clubhouse. Mr. Warren Smith responded that in 2007, the Board made the decision that the NS was worth keeping and invested \$92K in repairs and upgrades, to include adding dehumidifiers to help control moisture. He added that the Board had learned that it was better and easier to add an amenity than to get rid of one. At the end of discussion of the Capital Budget, Mr. Odom summarized his understanding that the Board would like to amend the proposed budget to include: carpet and appliances for the NS Clubhouse; plan development for a potential pool enclosure for the NS Clubhouse. Mr. Odom added that these additions could be funded by an expected surplus in reserves resulting from accrued net income this year.

Operational Budget. Mr. Odom's briefing included the following assumptions and projections:

The proposed budget keeps amenities at \$38.92/month (approves but defers 5% increase).

Budgeted income: \$980,600.44 (up 1.3%)

Budgeted expense: \$836,379.64 (up .07%)

Budgeted net income: \$144,220.80

Allotment for future repairs: \$126,000 (per the Reserve Study)

Budgeted Residual Net Inc. \$ 18,220.80

Mr. Odom discussed each major category of income and expense. The most significant change to income is expected to be in line 6590 (Misc income) resulting from higher quantities of fees from suit/lien filings. The most significant expense changes include: suit/lien expense (up 42%...balances the associated miscellaneous income); bad debt expense (up 5.8%); contracted services (up 5.4%, mostly due to increased security guard coverage for the playgrounds and gym area; insurance (up 6.2%); grounds maintenance (down 33.2% due to reduced special projects in 2012); Office expenses (down 9.4%, mostly due to outsourcing quarterly mail-outs); Electricity (down 3.2%...a faulty meter that has since been replaced caused erroneous projections for 2011); Natural gas (down 28.5% due to switch to electric water heaters); and Water/Sewer (down 26.7%). At the end of the briefing on the Operational Budget, Mr. Warren Smith remarked that, while he appreciated the fact that Mr. Odom has been careful and frugal with the proposed budget, that he should not short-change his pay. He added that he felt that Mr. Odom's performance has been exceptional and asked Mr. Odom how long it had been since he

had a raise. Mr. Odom responded, 3 years. Mr. Lindsey stated that he concurred with Mr. Smith's comments and suggested a 3.5% increase beginning in 2012. Mr. Warren Smith so motioned. Mr. Corder seconded the motion. There was no further discussion and the Board voted 7-0-1, including the proxy, to approve the motion. Mrs. Byers abstained. Mr. Odom expressed his appreciation to the Board.

3. ADJOURNMENT. At 8:00 Mr. Warren Smith motioned to adjourn the Hearing. Mr. Corder seconded the motion and the Board voted unanimously to approve the motion. .